

Medium Density Residential Housing Zone Review - Planning Proposal

Responsible Department: Environmental and Planning Services
Executive Officer: Director of Environmental & Planning Services
File Number: INFOC/10 - BP13/1255
Delivery Program Code: 5.1.1 - Oversee the land use planning, design and compliance framework for managing and facilitate appropriate development
8.1.1 - Oversee and implement Council's Residential Development Strategy and appropriate housing opportunities through land use planning
8.2.1 - Ensure housing growth is focused around centres and planning controls do not compromise housing affordability
10.4.1 - Maintain and enhance opportunities for community input into planning processes
Previous Items: COTW017-13 - Medium Density Residential Housing Zone Review - Closed Council - 24 September 2013

Note: Included in Closed Council in accordance with Section 10A(2)(c) of the Local Government Act as the information involves information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Summary:

This report outlines the scope of a review of certain locations for suitability as an extension of the R3 Medium Density Residential zone under Holroyd Local Environmental Plan 2013 (LEP). The Medium Density Review investigated 18 areas currently zoned R2 Low Density Residential that were identified during the process of preparing the LEP 2013, contain substantial clusters of Housing NSW holdings or that comprise small lot subdivision pattern areas. The report seeks Council endorsement of the recommendations of the Review, including:

- Those areas recommended to be rezoned to R3 Medium Density Residential.
- Those areas recommended to be retained as R2 Low Density Residential.
- The recommended floor space ratio and minimum lot areas proposed for each area.
- Recommended development control changes for a future DCP revision.
- A request being made to the State government that the NSW Housing Code be amended to provide for local variations to apply to certain areas of existing small lots within Holroyd.

The report seeks Council endorsement to forwarding a Planning Proposal to the Department of Planning & Infrastructure in line with the above Review recommendations.

Report:

Background

At its meeting on 10 April 2012, as part of its consideration of the exhibition of Draft Holroyd LEP 2012 (as it was then known), Council resolved (CCL082-12 Resolution 2) to:

“undertake a Medium Density Housing Review to investigate and consider additional areas suitable for medium density housing, and that the review includes the locations identified.”

In addition, Council resolved to consider options for land owned by NSW Housing (CCL082-12 Resolution 3.60).

Council has endorsed this project as a priority in the Delivery Program and Operational Plan for 2013/14:

“8.1.1.2 – Undertake a medium density housing review to identify housing opportunities”.

At its meeting on 24 September 2013, Council resolved to endorse the project scope and investigation areas for the Review. Council also resolved that *“following completion of the investigation and assessment, the findings of the Review and recommendations for land to be included in a Planning Proposal for rezoning to R3 Medium Density Residential be reported to Council.”*

A Councillor workshop on the work carried out and preliminary findings was held on 28 October 2013. A copy of the presentation to the workshop is included in the Attachments as Attachment 1.

Medium Density Residential Housing Zone Review

In all, 18 areas were identified for investigation and assessment:

- Six arising from exhibition of then draft Holroyd Local Environmental Plan 2013;
- Four areas identified as having significant clustered concentrations of properties owned by NSW Housing & Land; and
- Eight areas of existing small lots (with areas less 300m² and frontages of less than 10 metres). The effect of the provisions of the NSW Housing Code has been such that existing detached housing, sited on 2 or more existing lots, in these areas is

being redeveloped for multiple dwelling houses. The effective density of this new housing is similar to that permitted with the R3 Medium Density Residential zone.

Maps indicating the 18 investigation areas are included in the Attachments as Attachment 2.

The Review considered the following criteria to assess the suitability of each area for medium density housing:

- Proximity to rail stations, T-way stops, local centres and services, local open space and recreation facilities and other facilities.
- Suitability of street access and street parking and other transport.
- Suitability of lots and existing housing stock for redevelopment, and of ownership patterns.
- Extent of existing medium density housing.
- Social suitability of area, e.g. regarding housing needs.
- Context and interface with adjoining development and zones.
- Impact on potential for high density residential or business, on remnant native vegetation and on environmental heritage.
- Exposure to flood risks, traffic or industrial noise and pollution, and other environmental constraints.

Assessment Results

Of the 18 investigation areas, 15 have been assessed as suitable for rezoning to R3 Medium Density Housing, either in part or in whole. This level of potential addition to the R3 Medium Density Residential zone is considered generally suitable to meet the need for a mix of housing types and densities, given that 76% of current planned housing growth under LEP 2013 is high density residential apartments.

The findings of the assessment of each of the three types of investigation area are outlined below and one-page summaries have been included in Attachments as Attachment 3.

1. LEP 2013 Investigation Areas

The following areas are considered to be suitable for rezoning in entirety to R3 Medium Density Residential Areas on the basis of the assessments made:

- L1 – Franklin Street precinct
- L2 – Centenary Road precinct
- L5 – Cotswold Street precinct

Area L3 – Crosby Street precinct – is not an ideal location for increased densities, but is recommended for rezoning on the basis of the extent of existing medium density development and in order to ensure completion of the central part of Crosby Street, which has not yet been dedicated to Council. The eastern part of area is considered to have a low-density character distinct from the remainder of the area. On these bases, it is recommended that only the western part of this area be rezoned.

Assessment of Area L4 – Essington Street precinct – suggests that it is not yet suitable for rezoning due to issues related to access and traffic noise and pollution arising from its location adjoining the Great Western Highway and M4 Motorway.

Parts of area L6 – Macklin Street precinct – in Macklin Street and Fisher Crescent are also considered unsuitable for rezoning to R3 Medium Density Residential as they are subject to significant flood risk or do not benefit from flood-free access. Accordingly, it is recommended that properties with frontage to Pendle Way and Magowar Road and those properties already redeveloped at the southern end of Macklin Street be rezoned to R3, with the remainder of the area retaining the existing R2 Low Density Residential zoning.

2. Housing NSW Investigation Areas

Areas H1 and H2 – the Cooma Road and Dawn Street precincts respectively – have been assessed as not yet suitable for rezoning on the basis that they are distant from jobs and services.

Only the northern part of area H3 – Brewer Crescent precinct is recommended for rezoning. This is on the basis that that part south Verlie Street is too distant from T-way stops located on the Great Western Highway to warrant higher densities. Area H4 – Campbell Place precinct is considered to be highly suitable for rezoning in entirety to R3 Medium Density Residential Areas on the basis of the assessments made.

3. Small Lot Subdivision Investigation Areas

Two of the small lot investigation areas (S1 Kenyons Road precinct and S3 Amherst and O'Neill Streets precinct) were, for purposes of the Review, extended beyond the small lot lands to logical boundaries (major roads and the Southern railway). The areas involved in these extensions were assessed against the same criteria as the remaining 10 areas. As a result, these areas were found to not be suitable for rezoning for medium density housing, on the basis that they are subject to significant flood risk. One-page summaries of the assessment carried out for these sub-areas are also included in the Attachments as part of Attachment 3.

Other than these small sub-areas, all eight small lot areas are considered suitable for rezoning to R3 Medium Density Residential. This conclusion has been reached on the basis that current redevelopment under the NSW Housing Code is de-facto medium density housing despite the areas being zoned R2 Low Density Housing.

For the small lot areas, it should be noted that dwellings are permitted as complying development, under the Housing Code, on lots less than 300m². In accordance with the Housing Code, the maximum floor areas permitted for complying dwellings on small lots translate to floor space ratios of approximately 0.7:1. This is consistent with the maximum floor space ratio permitted of 0.7:1 in the R3 Medium Density Residential zone under the LEP.

Resultantly isolated larger lots in the identified small lot areas, which are already consolidated under one title, are likely to be surrounded by medium density housing without the ability to be redeveloped to the same density or character. An R3 Medium Density Residential zone would allow these isolated larger lots to be redeveloped to a similar density to surrounding small lots.

Further, as the identified small lot areas are currently zoned R2 Low Density Residential, attached dwellings are not currently permitted. Because developers desire to maximise floor area in accordance with the Housing Code this has the effect of further minimising useable rear private open space and adding to building costs. Rezoning the identified small lot areas R3 Medium Density Residential will permit attached housing, addressing this issue. It should be noted that prior to Holroyd Local Environmental Plan 2013 coming into effect, attached housing was permitted in these areas under Holroyd Local Environmental Plan 1991.

To facilitate consistent development across these small lot areas, it is also proposed to amend the Holroyd Local Environmental Plan 2013 Lot Area Map to allow subdivision of lots in these areas to a minimum area of 200m². The exception to this is where lots have their primary frontage to a classified regional road. In these cases, the Lot Area Map is proposed to be amended to set a minimum lot area of 900m² to ensure that larger lots are developed as multi-dwelling housing (townhouses or villas) with single vehicular access driveways and vehicles exiting in a forward direction, rather than multiple small lot houses each with a driveway. The latter form is likely to result in increased risk of road accidents due to reversing vehicles and is therefore to be avoided where possible.

*Options and Recommended Planning Proposal*Options

The following table sets out options available in relation to areas to be included in a Planning Proposal, with option 1 the recommendation for each investigation area.

Area	Option 1 (recommended)	Option 2 (alternative 1)	Option 3 (alternative 2)
H1 – Cooma Road precinct	Retain R2 Low Density Residential	Rezone to R3 Medium Density Residential	-
H2 – Dawn Street precinct	Retain R2 Low Density Residential	Rezone to R3 Medium Density Residential	-
H3 – Brewer Crescent precinct	Rezone that part north of Verlie Street to R3 Medium Density Residential & retain R2 Low Density Residential for remainder	Rezone whole of area to R3 Medium Density Residential	Retain R2 Low Density Residential
H4 – Campbell Place precinct	Rezone to R3 Medium Density Residential	Retain R2 Low Density Residential	-
L1 – Franklin Street precinct	Rezone to R3 Medium Density Residential	Retain R2 Low Density Residential	-
L2 – Centenary Road precinct	Rezone to R3 Medium Density Residential	Retain R2 Low Density Residential	-
L3 – Crosby Street precinct	Rezone western part to R3 Medium Density Residential & retain R2 Low Density Residential for remainder	Rezone whole of area to R3 Medium Density Residential	Retain R2 Low Density Residential
L4 – Essington Street precinct	Retain R2 Low Density Residential	Rezone to R3 Medium Density Residential	-

L5 – Cotswold Street precinct	Rezone to R3 Medium Density Residential	Retain R2 Low Density Residential	-
L6 – Macklin Street precinct	Rezone Pendle Way & Magowar Road properties & that part of Macklin Street already redeveloped to R3 Medium Density Residential & retain R2 Low Density Residential for remainder of area	Rezone whole of area to R3 Medium Density Residential	Retain R2 Low Density Residential
S1 – Kenyons Road precinct	Rezone majority of area to R3 Medium Density Residential & retain R2 Low Density Residential for area bounded by Merrylands, Fowler & Kenyons Roads & Ruth Street	Rezone whole of area to R3 Medium Density Residential	Retain R2 Low Density Residential
S2 – Fowler Road east precinct	Rezone to R3 Medium Density Residential	Retain R2 Low Density Residential	-
S3 – Amherst & O'Neill Streets precinct	Rezone majority of area to R3 Medium Density Residential but retain R2 Low Density Residential for area bounded by Military Road, Elizabeth Street, The Esplanade and Hawksview Road	Rezone whole of area to R3 Medium Density Residential	Retain R2 Low Density Residential
S4 – Mary Street precinct	Rezone to R3 Medium Density Residential	Retain R2 Low Density Residential	-
S5 – Queen Street precinct	Rezone to R3 Medium Density Residential	Retain R2 Low Density Residential	-
S6 –	Rezone to R3	Retain R2 Low	-

Wisdom Street precinct	Medium Density Residential	Density Residential	
S7 – Vulcan Street precinct	Rezone to R3 Medium Density Residential	Retain R2 Low Density Residential	-
S8 – Clement Street precinct	Rezone to R3 Medium Density Residential	Retain R2 Low Density Residential	-

Recommended Proposal

In total, therefore, 15 areas are proposed for rezoning to R3 Medium Density Housing. All 15 areas are also proposed to be subject to the same maximum permissible building height and floor space ratio as generally applies to the R3 Medium Density Housing zone under Holroyd Local Environmental Plan 2013, being 9 metres and 0.7:1 respectively.

It is also proposed that the areas proposed for rezoning generally be subject to the same minimum lot area that generally applies to the existing R3 Medium Density Housing zone, i.e. 900m². Exceptions to this are the majority of the six identified small lot areas. In these areas, a minimum permissible lot area of 200m² is proposed. In the case of the areas of existing small lots, this minimum area is proposed to mirror existing lots and the minimum provisions of the NSW Housing Code. Further discussion of appropriate planning controls for the small lot areas is included later in this report under a separate heading.

Maps indicating the areas for rezoning and proposed floor space and minimum lot areas are included in the Attachments as Attachment 4.

Observed Design Issues and Opportunities

Lot Width for Attached (Terrace) Dwellings with Rear Lanes

Parts of two of the areas identified for rezoning – L1 Franklin Street precinct and L2 Centenary Road precinct – benefit from rear lane access. In these locations, terrace-style housing with rear vehicular access is a housing form considered worthy of further investigation.

Encouraging terrace housing would have the benefit of increasing the diversity of housing forms within Holroyd. Holroyd has little of this type of housing and current LEP and DCP controls do not facilitate such development.

Revised controls that could facilitate terrace housing include reduced minimum frontage for subdivision. A reduced minimum lot width of 5.5m could be considered for terrace housing with rear vehicular access being provided from lanes and would encourage such development. It is therefore recommended that a future Development Control Plan review include consideration of this matter.

Front Setbacks for Medium Density Housing

The Review has identified that the small lot housing provisions of the NSW Housing Code, incorporated into State Environmental Planning Policy (Exempt and Complying Development) 2008 (SEPP), act in concert to produce in some poor development outcomes in Holroyd's small lot areas. This is particularly the case as the market almost universally seeks the maximum floor area permitted on a given lot. These poor outcomes include minimal rear private open space and separation for privacy. It is proposed that Council seek an amendment to the SEPP to provide for local variations to the Code to address these issues.

Under the NSW Housing Code, new dwellings must have a front setback equal or greater than adjoin existing dwellings. Garage doors are to be further setback 1 metre behind the resultant building line. Given existing dwelling stock in Holroyd's small lot areas, these provisions result in new housing in Holroyd's small lot areas being setback a minimum of 6 – 7 metres. Given the maximum floor areas permitted under the Code, this control often result in only minimal private open space at the rear of dwellings. In the most extreme cases, rear private open space is reduced to only 3 metres in depth.

It is recommended that Council request a local variation to the NSW Housing Code to address these issues of minimal private open space and reduced privacy. The proposed local variations to the Housing Code are intended to address these issues by reducing front setbacks.

The reduced front setbacks proposed are 4.5 metres for the building, with garages being setback a further 1 metre. These are similar to those that currently apply within the R3 Medium Density Residential zone at Pemulwuy which largely comprises lots of similar sizes. Dwellings on small lots at Pemulwuy generally have larger areas of rear private open space than new detached and semi-detached dwellings in the identified small lot areas authorised under the Housing Code. These provide sufficient space for a passenger vehicle to be parked off-street within the setback in front of a garage. A reduced front setback would have the further benefit of providing a more suitable visual relationship (proportionately) to the narrower dwelling design in medium density zones, whether strata multi dwelling housing or Torrens attached dwellings (similarly to terraces). The DCP could be similarly amended upon a future review.

Conclusion:

The Review has identified areas suitable for rezoning to R3 Medium Density Residential and suitable floor space ratio and minimum lot area controls. These are recommended for inclusion in a Planning Proposal to be submitted to the Department of Planning & Infrastructure. It has also identified that there are issues arising from NSW Housing Code and a local variation to the Code that would address this. Finally, the Review has also identified opportunities for changes to design controls for medium density housing for inclusion in a future review of Holroyd Development Control Plan 2013.

Consultation:

This report proposes community consultation be carried out as determined by the Department of Planning & Infrastructure when it issues a Gateway Determination of the Planning Proposal. Nonetheless, it is recommended that the Planning Proposal include the following:

- The Draft Amendment to Holroyd Local Environmental Plan 2013 being exhibited for 28 days (subject to gateway determination conditions) at the Council administration building and all Council libraries;
- The Draft Amendment being advertised in the Parramatta Holroyd Sun during the first, second and third weeks on the exhibition; and
- Two community information sessions being held during the exhibition period, one on a week night and one during a weekend day.

Financial Implications:

No budget has been provided for this project, other than part of a strategic planning officer's time over the next 8 – 10 months and community consultation costs. There are no other financial implications associated with this report.

Policy Implications:

This report proposes to forward to the Department of Planning & Infrastructure a Planning Proposal that will potentially result in amendment to Holroyd LEP 2013.

Communication / Publications:

It is proposed that, after the Department of Planning & Infrastructure issues a Gateway Determination of the Planning Proposal, the Draft Amendment to Holroyd Local Environmental Plan 2013 will be advertised in the Parramatta Holroyd Sun during the first, second and third weeks on its exhibition period.

Report Recommendation:

- i) That Council resolve to forward a Planning Proposal for additional R3 Medium Density Residential zoned areas to the Department of Planning & Infrastructure for gateway determination and public consultation.
- ii) That the Planning Proposal include rezoning part of area H3 – Brewer Crescent precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and a minimum permissible lot area of 900m², and retain the R2 Low Density Residential zoning for the remainder of the area, in accordance with the maps included in the Attachment 4.
- iii) That the Planning Proposal include rezoning area H4 – Campbell Place precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and a minimum permissible lot area of 900m², in accordance with the maps included in Attachment 4.
- iv) That the Planning Proposal include rezoning area L1 – Franklin Street precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², dependent upon the lot, in accordance with the maps included in Attachment 4.
- v) That the Planning Proposal include rezoning area L2 – Centenary Road precinct R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², in accordance with the maps included in Attachment 4.
- vi) That the Planning Proposal include rezoning part of area L3 – Crosby Street precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and a minimum permissible lot area of 900m², and retain the R2 Low Density Residential zoning for the remainder of the area, in accordance with the maps included in Attachment 4.
- vii) That the Planning Proposal include rezoning area L5 – Cotswold Street precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and a minimum permissible lot area of 900m², in accordance with the maps included in Attachment 4.
- viii) That the Planning Proposal include rezoning part of area L6 – Macklin Street precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and a minimum permissible lot area of 900m², and retain the R2 Low Density Residential zoning for the remainder of the area, in accordance with the maps included in Attachment 4.
- ix) That the Planning Proposal include rezoning part of area S1 – Kenyons Road precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², and retain the R2 Low Density Residential zoning for the remainder of the area, in accordance with the maps included in Attachment 4.
- x) That the Planning Proposal include rezoning area S2 – Fowler Street east precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², in accordance with the maps included in Attachment 4.

- xi) That the Planning Proposal include rezoning part of area S3 – Amherst and O’Neill Streets precinct – to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², and retain the R2 Low Density Residential zoning for the remainder of the area, in accordance with the maps included in Attachment 4.
- xii) That the Planning Proposal include rezoning area S4 – Mary Street precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², in accordance with the maps included in Attachment 4.
- xiii) That the Planning Proposal include rezoning area S5 – Queen Street precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², in accordance with the maps included in Attachment 4.
- xiv) That the Planning Proposal include rezoning area S6 – Wisdom Street precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², in accordance with the maps included in Attachment 4.
- xv) That the Planning Proposal include rezoning area S7 – Vulcan Street precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², in accordance with the maps included in Attachment 4.
- xvi) That the Planning Proposal include rezoning area S8 – Clement Street precinct to R3 Medium Density Residential, with a floor space ratio of 0.7:1 and minimum permissible lot areas of 200m² and 900m², in accordance with the maps included in Attachment 4.
- xvii) That Council retain the R2 Low Density Residential zoning for area H1 – Cooma Road precinct and not include it in the Planning Proposal.
- xviii) That Council retain the R2 Low Density Residential zoning for area H2 – Dawn Street precinct and not include it in the Planning Proposal.
- xix) That Council retain the R2 Low Density Residential zoning for area L4 – Essington Street precinct and not include it in the Planning Proposal.
- xx) That Council resolve to request a local variation to the NSW Housing Code, established under State Environmental Planning Policy (Exempt and Complying Development) 2008, to apply to R3 Medium Density Residential zoned areas, permitting reduced front setback of 4.5m.
- xxi) That the design matters identified, including a reduced minimum frontage for each attached dwelling with parking provided via a rear/side lane and reduced front setbacks in R3 Medium Density Residential zones, be included for consideration in a future review of Holroyd Development Control Plan 2013.

Attachments:

1. MDHR Workshop Presentation

2. MDHR Investigation Areas Map
3. MDHR Assessment Summaries
4. Planning Proposal Maps